

An aerial night photograph of Bratislava, Slovakia, featuring the prominent green copper spire of St. Martin's Church. The city lights and surrounding buildings are visible in the background. A large white circular graphic is overlaid on the right side of the image, containing the title and date.

**MARKETING AND COMMUNICATION STRATEGY
FOR BRATISLAVA**

2018 - 2022

Executive Summary

18. december 2017

MARKBBDO

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Key conclusions and recommendations

Competitiveness of tourism destinations

The development of tourism over the past decade has been seen primarily in terms of the competitiveness of tourism destinations.

A destination is actually competitive only if it is able to increase the number of visitors who are willing to pay out more and more for the services provided, and also if it is able to raise the living standard of its residents and preserve the natural capital of the region for future generations.

Visitor statistics for Bratislava are favourable

The number of visitors to the destination of Bratislava has been rising, as has the number of overnight stays. The 2017 benchmark report (the European Cities Marketing) states that Bratislava is, in terms of the number of overnight stays, the best performer of the year, growing 15.4%, making it into the top league of European destinations.

We are an undiscovered destination

Despite this, Bratislava remains an undiscovered tourism destination. Many tourists know almost nothing about Bratislava. They have no idea about where it is, what they can expect from it and how it could interest them. When they visit it they are mostly surprised at how nearer it is, at what you can do here and what a pleasant atmosphere there is here.

Reasons why tourists visit Bratislava

- Location | Bratislava is “on the way”
- Accessibility | Bratislava is easily accessible
- Curiosity | Undiscovered Bratislava
- Compact city centre | Everywhere is close
- Alternative | Various entertainment options
- Authenticity | Real life
- History | Typical Central Europe
- Cultural events | Visiting Bratislava for culture
- Culinary tourism | Gastronomy with atmosphere
- City scenery | Bratislavans & the Danube & the Carpathians
- Affordability | Bratislava is cheaper than other destinations
- Safety | Bratislava is a safe city

Barriers that discourage tourists from visiting Bratislava

The development of tourism at the destination is complicated by a number of accumulated problems relating primarily to the underdeveloped tourism infrastructure, the lack of cooperation and informedness of bodies active in tourism, and, last but not least, also through the fact that tourism is organised in the context of national policies. A ranking of problems by urgency (most of these lie outside BTB's competence)

Problem #1	Points of first contact for tourists with the city
Problem #2	Customer experience of tourists travelling around the city
Problem #3	There is no concept of public space care
Problem #4	Basic tourism infrastructure is missing
Problem #5	The standing of the BTB within the City Council
Problem #6	Insufficient informedness about what's on offer for tourists
Problem #7	Weak cooperation between bodies active in tourism
Problem #8	Uncoordinated events in the city
Problem #9	Bratislava's residents don't have a relationship to their city
Problem #10	Unclear identity of Bratislava
Problem #11	Insufficient use of new information technologies
Problem #12	"Slovak restaurants" in the city centre
Problem #13	Inactivity of the city police

Unexploited potential

According to local tourism representatives, there are several basic areas of unexploited potential here:

1. **The Danube** – both on the bank and on the river itself and its use for shipping
2. **Culture** – both modern, original concepts, as well as history
3. **Creative industry**
4. **MICE**
5. **Culinary tourism**
6. **Bratislava City Card**
7. **Foreign languages**
8. **City cleanliness**
9. **Relationship of the people to their city**

10. Green city

11. Smart city

Trends: Main factors affecting tourism

Tourism today is affected by several factors that change tourists' consumer behaviour (reasons for travelling, preferred destinations, shopping trip, etc.); some of these have a positive impact, while others have a negative impact on the destination. As regards Bratislava as a destination, we can consider the main factors influencing the inflow of tourists as (without claiming to be a complete list of all the important factors):

- **Experience.** A factor with a positive impact on Bratislava; foreign tourists, despite low expectations, are often surprised by the atmosphere and diversity of activities they can experience here.
- **Cheap travel.** Another factor with a positive impact on the destination's tourism; particularly thanks to low-cost airlines (Ryanair, Smartwings, Wizz Air etc.) and options to use cheaper accommodation outside official accommodation facilities (AirBnB).
- **Mass tourism.** Although many cities are experiencing an onrush of tourists and are left overbooked, Bratislava has yet to experience such mass tourism. This will, naturally depend on determining the limits, as to how many tourists Bratislava can handle in order that this factor, which currently plays in Bratislava's favour, does not turn into a negative feature.
- **Industrial destinations.** People are becoming more and more inclined to go see with their own eyes the production of their favourite things, for example to see how their favourite car is manufactured, or how beer is brewed.
- **MICE.** Despite the internet, congress business is still growing; although people have access to information (analyses, studies, new knowledge, ...), they do, nonetheless, still also want to meet in person.
- **Undiscovered destinations.** Most tourists travel to experience and get to know something new, undiscovered. Bratislava still belongs to the "well-hidden secrets" on the map of Europe.
- **Threat of terrorism.** Even this factor plays (for now) in our favour, since Bratislava as the capital of a minimally exposed country stands outside the main interest of international terrorist organisations.

Cities for life

As the ECM manifesto "The Future of DMOs" of May 2017 states: "The future belongs to cities. To be specific, the future belongs to cities that can attract the brightest and the best people. Today, a city's postcard views and monuments matter less than its liveability;

that sense of localism that makes the traveller settle, and invest time, money and emotional energy in getting to know the place.”

Experience local culture / society / people

A global view of the modern tourist ecosystem and a new, fresh look at how tourists choose and plan their vacations is given by the TripBarometer 2016 of the company TripAdvisor. This is a survey in which 36 444 respondents from 33 countries participated. As the results of the survey show, the most important reason for choosing a destination is interaction with the local culture and its inhabitants.

A new era of tourism

Tourism in the 21st century has radically changed, due mainly to digitalisation, new technologies, greater transport accessibility and the new type of global economy based on information exchange and sharing. It is reflected not just in a change of classical consumer habits and commercial patterns of behaviour in tourism, but places completely new demands on understanding marketing, branding and overall work with the destination.

8 imperatives of new destination marketing

1. Feeling the location

In the global world offering global products a destination’s specificity is ceasing to be formed solely by iconic cultural monuments or special locations that the traveller will look over and tick off their list of sights to see. More and more it is about the specific experience of locality, in which the visitor becomes a part of the life, culture and atmosphere of the destination. Today’s traveller does not want to be a “tourist”, but is interested more in the authentic experience that, in large part, is tied into human contact. Today’s destinations are formed primarily by the people living in them and by the liveability of the place, i.e. its ability to create a specific quality of life that generates an experience.

2. Microsegmentation of visitors

These changes create fundamentally new requirements for tourism strategies and tourism organisations. The change in traveller patterns requires a step back from the classical breakdown of visitors on the business versus leisure axis and creates a number of new specific niche segments that need to be known and considered when planning strategies.

3. People first and foremost

It follows that new tourism strategies must focus primarily on people living in the destination and on the ability to create relationships between their stories and visitors.

4. Content created by travellers themselves

Marketing in the digital era is based on the fact that online content is made by everybody and is available wherever whenever. The role of marketers, therefore, is not to generate content, but to create platforms in which it is possible to manage user generated content and create personal stories that can be communicated to specific target groups. Today's travellers are not interested in beautiful, polished television adverts or glossy brochures displaying perfect happy couples enjoying life at the destination, even less are they interested in posters, billboards or classical destination ads that, through the eyes of travellers, are "just advertising". Their decisions are formed on the basis of personal recommendations, stories and emotional clouds provided to them from the various types of social networks and online platforms.

5. Data collection and mining

The digital environment, though, does not provide just new tools and marketing methods, but also unprecedented possibilities for collecting and mining data on visitors and their behaviour in real time. Such data can serve for very precisely targeting needs and for the development of tourism services.

6. Social sustainability

With regard to the fact that human capital is a central point of the new type of tourism, it places emphasis on balancing the development of tourism and the local quality of life. Economic growth in the tourism segment is no longer achieved under pressure on increasing overnight stays, or other direct expenses, but on building comprehensive tourist development, based on loyalty and secondary and tertiary economic effects. A reasonable scale of tourism and elimination of the negative effects of uncontrolled growth in the number of tourists is key to balancing development and further raising the quality of life at the destination.

7. Cross-sectional nature of tourism

Tourism understood in this context requires a broadly conceived, crosscutting strategy that affects practically all development policies of the given destination – from the field of labour, leisure, lifestyle, consumption and culture, through the area of mobility and sociocultural influences, through to interpersonal relationships, prevailing models of behaviour or local customs and traditions. An important factor is the ability to constantly innovate and quickly respond to changing trends. The key to achieving the necessary flexibility and innovation capacity is primarily a cross-sectoral approach and the ability to combine the broadest spectrum of actors who interact with one another and create innovative products and solutions.

8. Economic benefit of tourism

Tourism, as a crosscutting sector, is statistically unclosed, meaning that it is difficult to report its economic (and non-economic) benefit. On the basis of the satellite account methodology, though, it is possible to calculate its benefit for the Slovak economy, yet

still only with a certain dose of caution. Based on the available data from 2013, direct gross domestic product in tourism represented a 2.73% share in Slovakia's GDP, and the tourism sector represented 16% of all jobs. For comparison: International tourism represents up to 10% of global GDP and 10% of jobs. A special case of economic benefit of tourism for a destination is the MICE segment (Meetings, Incentives, Congresses, Events).

What benefits has Bratislava offered tourists in this regard

To date, visitors to Bratislava have enjoyed its advantages primarily in terms of the rational benefits:

- **Location** – Bratislava lies on the borders of three states, a location in the middle of Europe.
- **Compactness** – Bratislava has a small, compact centre.
- **Discoverability** – Bratislava is still an undiscovered, slightly exotic destination.
- **Value for money** – Bratislava as a relatively cheap destination.
- **Safety** – The threat of terrorism in Bratislava is very low.

Bratislava's vision

As a destination, Bratislava's vision is to be a good place for life. This means, to be:

- **a pleasant, practical and caring city**
- **an open, colourful and tolerant city**
- **a cultural, vibrant and energetic city**

In terms of tourism, this means that Bratislava is gradually approaching saturation with tourists (1.8 – 2.0 million tourists annually), meaning that the city must begin to choose what sort of tourists it is interested in (professionals, talented people, people coming to a particular destination, people with an interest in understanding Central Europe, people looking for an alternative to surrounding cities, more discerning tourists, who through their higher requirements, will shift the level of tourism services at the destination to a higher level).

Bratislava Destination Value Proposition

The conceptual definition of the destination's identity is based on the developed value proposition for Bratislava as a city of contrasts, diversity and tolerance on the one hand, and openness and innovation on the other.

Key insight

People today are travelling more and more, visiting foreign countries, exploring, experiencing, relaxing. They want to get to know the local customs, taste local specialties, learn something new – simply yearning for experiences. They have already completed the large cities, experienced the atmosphere of the Mediterranean, and have been in Lisbon, Copenhagen or Istanbul. Since they have already been “everywhere”, it is very difficult to find in Europe a new, little-known destination, that would still be attractive, special, but at the same time safe.

What is Bratislava about?

And this is precisely what Bratislava, the capital of Slovakia, right in the middle of Europe, is about. It is not the most well-known, but something that is undiscovered can surprise. It is not the largest; and so everything in it is nearby. It's not perfect. And that means it has room to improve. Simply said, Bratislava is a city of contrasts, like the whole of central Europe.

Values on which Bratislava is built**Authenticity**

Bratislava is not a picture postcard city. Is not just a city where people snap some photos and tick it off the list. It is an authentic, real, imperfect city. Full of contrasts, surprises, styles, that at first glance do not match, but are testimony to the city's historical and cultural diversity. It is a city of honest, upfront people. Locals who do not go to the centre as tourists. They meet in the same restaurants, hotels and cafes.

Openness

Bratislava has always been multicultural, always diverse. Germans, Hungarians, Jews, Slovaks, but also Croats and Bulgarians have all lived alongside one another here. Each culture has left its signature on the city. Even today, differing opinions, differing thoughts and ideas all have their place here. Thanks to this, Bratislava is dynamic, colourful, constantly interesting.

Resourcefulness

Bratislava is not just about bricks and mortar, but primarily the people themselves. Skilful people. Who we can be proud of. Because they, in contrast to the buildings, far exceed the boundaries of Bratislava, even the boundaries of Slovakia and Europe. Their talent and energy are the reasons why this city reverberates. Bratislava is its people. Successful people make a successful Bratislava.

What does this mean for potential visitors?

- **Experience the unusual**

Bratislava is by far the most hidden capital of Europe; few know of it, and so therefore it is not besieged by crowds of tourists. For many people in Western Europe, it is an exotic city in which only the most courageous travellers have been. And those who have visited it are surprised at the city's atmosphere.

- **Experience the concentrated essence of central Europe in one place**

For someone wanting to get to know and experience central Europe, they cannot choose better than Bratislava. Bratislava is a journey through time in 15 minutes. A visitor to Bratislava can see the imprints of the monarchy right next to socialist buildings and when they look around, they will even see a UFO. The town is crisscrossed by the histories and different cultures of the people who have always lived here in symbiosis.

- **Experience an alternative**

Bratislava is a small compact, cosy city. It is an alternative to the surrounding big cities. It has the nature of a pleasant little town, a calm place to chill out in the middle of Europe.

Why should they believe us?

- **Availability.** Bratislava is very accessible by air (Bratislava airport, Vienna airport just under 60 km from Bratislava), river transport (Danube), motorways D1 and D2, rail junction linking Western Europe with Eastern.
- **Compactness.** “Everywhere is close” not just within the Old Town – historical documents on foot, but also the possibility of other activities (hiking, cycling, galleries, museums, castles, theatres).
- **History.** Bratislava represents typical central Europe – a settlement from the time of the Roman Empire, a part of the Austro-Hungarian Empire (Bratislava from 1563 to 1830 was the coronation city of Austro-Hungarian kings), later a part of Czechoslovakia and later a country behind the Iron Curtain.
- **Alternative.** Bratislava offers many alternative leisure options. It is a destination for cycle tourists, forest walkers, hipster culinary tourists, even those seeking industryscape.
- **Localism.** Bratislava is not divided into a tourist part and a domestic part; locals go to enjoy the same sites as tourists.
- **Innovation potential.** Bratislava is a city full of energetic, talented people. Bratislava is considered the capital of Europe in the automotive industry. It is home to the headquarters of ITC firms that have grown from local routes to companies with global reach. With each new day come more new start-ups.

- **Continuous progress.** Bratislava is a city that never stops changing. It is a city of live culture and energy set on a positive perception of the world. Although not everything here works perfectly (“How central European!” Camus would certainly say), the city is developing, improving services for its citizens and visitors.
- **Safety.** Last but not least, there is also the relative safety, that makes Bratislava an attractive destination.



Destination promise

Bratislava – Central Europe concentrated on one spot

Story lines

The main storylines are based on the essence of Mitteleuropa – diversity, coexistence, tolerance, openness to new ideas and constant change. The starting point thus becomes the authenticity of Bratislava as it is.

The actual conceptual development of the authentic storylines must be preceded by the following BTB activities:

- Map all authentic activities, venues, events in Bratislava.
- Create cooperation with various communities, interlink already generated content and stories.
- Identify several promising areas for tourism and create special platforms for stakeholders.
- Engage a broad spectrum of influences and online content creators.
- Show how to deal with problems – i.e. change negatives into positives, problems into solutions.
- Create joint projects with successful firms from Bratislava.
- Create a real Bratislava Convention Bureau.

Liveability

Only when Bratislavans have the feeling that Bratislava is truly a good place for life will they be satisfied with life in the city and they will be proud of it, they can significantly influence the atmosphere of the city – welcoming attitude to tourists, hospitality, friendly

behaviour. And since experiencing local people and the atmosphere of a city is the most important criterion for tourists choosing a destination, the quality of Bratislavans' life is one of the key factors for the results of Bratislava's tourism.

- In collaboration with the city, enable the creation of attractive stories that a visitor to the city can become a part of.
- Try to make the city work and bring innovations that will attract.
- In cooperation with the city, BTB will initiate the creation of crosscutting policies focused on raising the quality of life in the city and their mutual relationship to tourism. Quality-of-life indicators will be derived from them, and evaluated in the next period.

From marketing to destination management

In order that we can develop the potential of Bratislava as a pleasant, open, energetic city, it is not enough to rely just on marketing campaigns, but, if we mean this seriously, so then also shifting from marketing to destination management.

DMO and its concept of developing and managing tourism in Bratislava for the coming years should, therefore, be built in particular on the following principles:

- **a cardinal change in the thinking and perception of their function caused by the digital environment and the need for sustainable development**

It's not just about changing the manner of marketing the destination, involving USG, etc., but it's also about data collection technology and mining big data, or the possibilities of virtual technology and artificial intelligence. We need to stop seeing tourism as an industrial sector focused on simply raising visitor numbers, and rather move over to seeing it as a component of the comprehensive strategy of raising the quality of life at the destination, a sustainable component of its life and to begin measuring its success using complex indicators of the qualitative development of the destination.

- **less organising and more creating conditions and investments into raising the attractiveness of the destination**

Thanks to digital technologies, it is now, in the framework of tourism, much simpler to exploit the collective intelligence of the destination community's talent and creativity. This means that DMO should work primarily with local residents and communities, who are the best promoters of the destination and who can create real-life stories and generate interesting solutions and atmosphere. By engaging the widest possible spectrum of

small-scale service providers into the DMO's development activities, it is possible to give rise to new types of services and attractions for both residents and visitors.

- **more into linkage between tourism and local economic and social development**

Places which work, are well-administered and exhibit the ability to innovate and create new solutions are attractive from the aspect of visitor numbers. Therefore, it is important that the DMO invest in relationships and platforms associating various types of leaders and movers of economic and social development and links them with visitor strategies. The essence of contemporary tourism is creating specific niche products and stories that can be generated and branded through these platforms.

- **more programmes than campaigns**

The DMO should focus more on managing the communication of a broad spectrum of stakeholders and on creating real stories and content at the destination and less on classical marketing and promotion of the destination. Communication should be focused on creating shareable content of real people's actual experiences, which are spread through influencers and online tools. At the same time, it is necessary to discuss what sort of tourism is best for cultivation and sustainability and that is able to satisfy and develop the needs of both residents and visitors.

BTB as a public-private partnership organisation

A prerequisite, naturally, is to have the competence and sufficient capacity and financial resources for this. As regards how the DMO should function, of the 3 variants considered, the most promising appears to be that of BTB as a public-private partnership organisation.

This is a broad-based public-private partnership with the involvement of businesses; it is the essence of a well-functioning DMO today. Of the current legal models, probably the most suitable statute for it is an association of legal entities, which, though, may be somewhat problematic in drawing funds from the state budget. The essence of a functioning model should, though, be multi-sourced and diversified financing, which enables greater freedom in planning activities, provided the majority of funds are not allocated from public budgets.

However, in order for it to be possible to create a functioning model of co-financing the DMO's activity from private funds (e.g. flat-rate membership fee for certain types of business, etc.), it is necessary to create functional platforms of cooperation and programmes that will be credible and evidently beneficial for the whole ecosystem.

Structure of BTB marketing expenses

European tourism organisations established on the basis of private-public partnership have available on average a higher budget for their activity than the average for all DMOs (average = €7.9 million). The Bratislava Tourist Board has available a much smaller budget – only €1.5 million. Furthermore, nearly all incomes to the Bratislava Tourist Board's budget come from public sources.

A comparison of the structure of BTB expenses with those of DMOs shows that BTB spends relatively less on marketing and communication (-6 percentage points) and surveys, statistics and analyses (-3 percentage points); conversely the BTB spends relatively more funds on services for visitors (+9 percentage points). This means that the BTB should raise the share of its spending on marketing and communication, as well as the field of surveys, statistics and analyses (data is the fundamental prerequisite for correct decisions, not to mention for the vision of a smart city).

BTB targets for the period 2018 – 2022

1. Create a structured **database** of all tourism businesses in Bratislava, including entities from tourism-related areas.
2. Create a marketing information system (**MIS**).
3. Create a system of functional **partnerships** for raising the efficiency of doing business in tourism.
4. Map the initial state of the **quality of life** in Bratislava and make regular (1x yearly) surveys of life satisfaction among the city's inhabitants.
5. Focus marketing communication on **destination branding** – raising knowledge of the destination and its attractiveness for tourists.
6. Focus on **online marketing** – create a system of managing content created by visitors and promoting them.
7. Fully deploy – i.e. progressively begin performing the comprehensive services of the **Bratislava Convention Bureau**.
8. Consider whether Bratislava shouldn't have a more distinct **attractive city landmark** (a symbol of a united Europe).
9. Build a Bratislava **photo point**.
10. Make Bratislava City Card (BCC) **more attractive**.
11. Propose an adjustment to the destination management **cooperation model** – chairman of the BTB board as “Deputy City Mayor for Destination Management”.
12. Find ways how to **diversify funding** for its activity; BTB is too dependent on public funds (96% of income!) and thereby vulnerable to political instability.
13. Draw up standards for crisis communication in the case of a threat to the destination.

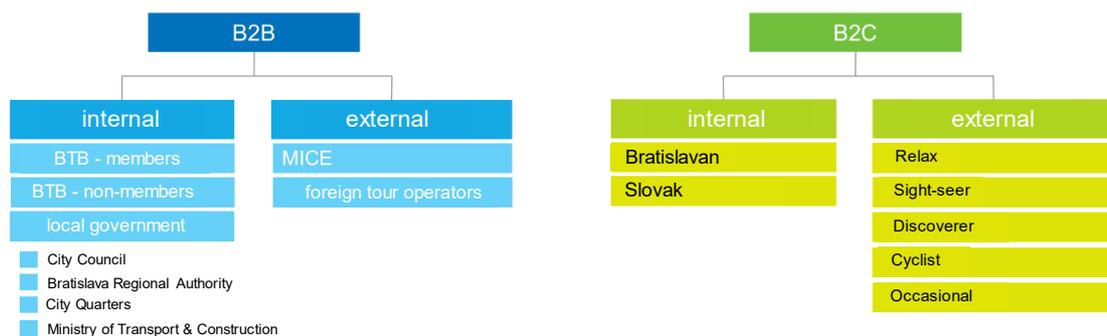
Marketing communication goals

1. **Raise brand awareness of Bratislava in the world.**

2. **In source markets induce an interest to visit Bratislava.**
3. **Raise tour operators' knowledge about Bratislava as an attractive destination for their tourists.**
4. **Present Bratislava as a suitable destination for organising MICE events.**
5. **Maximise the use of selected historical events and significant sports events to raise knowledge of the destination.**
6. **Maintain, manage and develop the Tourist Information System at the destination.**
7. **Start building the relationship among city inhabitants to their city.**
8. **Develop communication with tourism actors at the destination.**

Target audience

The marketing and communication of the Bratislava destination will be based on two lines: B2B marketing focused primarily on tourism product creators abroad and service providers at the destination, as well as B2C marketing focused primarily on potential visitors from abroad, but also on residents of Slovakia.



Marketing communication strategy

The marketing communication strategy for the years 2018 – 2022 is based on the goals and target groups and comprises several levels.

A. Raise knowledge of the destination

Any positive mention of Bratislava on a visitor's blog or in an editor's article of a foreign periodical counts. Let's not delude ourselves into thinking that the advertising we produce will be successful worldwide. Rather, let's concentrate on the positive

experience of foreign visitors with Bratislava and enable and encourage them in sharing their positive experiences.

B. Induce interest from source markets

Given the BTB's capacity and financial constraints, it is necessary to make maximum use of direct marketing activities. It is better to concentrate on a smaller number of countries than on the whole world. The optimal strategy is to concentrate on 4 or 5 countries per year. Gradually focus on those emerging markets that report the highest growth in visitor numbers or overnight stays.

From the aspect of the main source markets, the Bratislava destination proves the most attractive primarily for: the Czech Republic, Germany, Britain, Austria, and increasingly Spain and China.

C. Raise awareness among tour operators

Coordinate marketing activities for two operators with an approved strategy, meaning increase activities focused on including Bratislava in tour operators' offers in those countries chosen as a priority for the given year. Take advantage also of opportunities such as the Ice Hockey World Championship for contacting tour operators in countries participating in the championship (and whose matches will be played in the group in Bratislava).

D. Bratislava as a MICE destination

See the MICE Strategy developed by the firm SoolNua Marketing

E. Historical, sporting and other events

For profiling the destination, use events that correspond to the idea of Mitteleuropa (diversity, coexistence, tolerance, openness to new ideas, innovation, constant change). We cannot guess what life brings, but in the ideal case we propose the following time sequence of topics (storylines):

Year	Basic theme line	Note
2018	Bratislava – a tolerant city	100 th anniversary of the founding of Czechoslovakia
2019	Bratislava – so many possibilities so close together; diversity	Ice Hockey World Championship
2020	Bratislava – a city of innovation	Bratislava – Motor-City
2021	Bratislava – a city open to new ideas	Smart city / quality of life

2022	Bratislava always different	Eurovea2, Twin City, New Lido, Eset Campus, ...
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Marketing communication of a DMO today

Current marketing communication in destination management is undergoing dramatic changes. Unlike the preceding era of classical marketing, dominated by mass advertising, today's marketing is focused primarily on managing customer experience. As regards the forms of destination communication, we can see a significant move away from advertising as such toward various forms of managing customer-generated content.

Therefore, a priority and the basic pillar of the BTB's work in the field of marketing communication must become:

- putting in place the prerequisites for the creation of customer-generated content
- initiating and managing online content (not its own content as such)
- focus primarily on social media
- use videos created by visitors; these become the most important element of destination marketing
- begin using mobile communication platforms and applications (mobile first)
- sophisticated work with existing digital data (geo-marketing and localisation), expanding the scale of its collection, analysis and evaluation
- gradual transformation from e-commerce to m-commerce (i.e. mobile commerce) and to v-commerce (i.e. video commerce)

BTB as a public-private partnership organisation

Recommended variant of the regional tourist board: public-private partnership. A broadly-conceived partnership with the involvement of businesses is the essence of a well-functioning DMO today. Of the current legal models, probably the most suitable statute for it is an association of legal entities, which, though, may be somewhat problematic in drawing funds from the state budget. The essence of a functioning model should, though, be multi-sourced and diversified financing, which enables greater freedom in planning activities, provided the majority of funds are not allocated from public budgets.

However, in order for it to be possible to create a functioning model of co-financing the DMO's activity from private funds (e.g. flat-rate membership fee for certain types of business, etc.), it is necessary to create functional platforms of cooperation and programmes that will be credible and evidently beneficial for the whole ecosystem.

Organisations set up on the basis of public-private partnership in Europe normally have available a higher budget for their activity (€8.7 million), than the average for all DMOs (€7.9 million). Bratislava Tourist Board in the given period had available a much lower

budget, just €1.5 million. Moreover, almost all income (95%!) to the Bratislava Tourist Board budget comes from public sources.

Staffing and funding of the BTB

The Bratislava Tourist Board (BTB) is understaffed. Whereas currently 23 staff work at BTB (including 10 working at the Tourist Information Centre – TIC in Klobučnícka Street), the average number of staff at European destination management organisations is 41.

It is necessary to strengthen the staffing capacity of the following areas in particular:

- database creation and updating
- building partnerships, relationships
- MICE area
- digital, online marketing
- social media, managing user-generated content
- data mining
- quality of life of the city population

Given the tasks and challenges that the BTB faces, it would be desirable to gradually strengthen the organisation's staffing from the current 23 staff to 35 (by 2022). Taking into account the expected increase in BTB incomes, as well as priorities, this means recruiting on average 3 new people per year.

Priorities in filling staff positions:

1. Partnerships and developing cooperation in tourism in Bratislava
2. Digital & Social
3. MICE
4. Other mentioned areas (data, databases, quality of life in the city)

In order for the organisation to be fully functional, it would also be desirable that the organisation's services relating to operation, that are currently outsourced, i.e. accounting, IT, legal services and public procurement, would also be included in the BTB's regular organisational structure.

This means that by the end of 2022, the Bratislava Tourist Board should be fully functional, with a total of 35 staff working at it.

The European Cities Marketing association in its survey on the funding of its members highlights the correlation between the number of staff and turnover, i.e. the organisation's funding, i.e. the more resources, the higher the number of staff (and vice versa).

The BTB's total annual back-office operating costs are €676 035, with front-office operating costs of €285 715, making a total of almost €1 million (€961 750). This comprises costs related to premises rent, water, sewerage, energy, fees, maintenance

and cleaning, office equipment, wages, social and health insurance contributions, travel costs, telecom services, outsourced services (accounting, public procurement, legal services), insurance, fuel, technical equipment, VAT payment, etc. In the current number of 23 staff (back-office and front-office) the gross calculation of total operating costs (front-office + back-office) per employee is €41 815.

In the planned gradual increase in staffing (on average 3 new staff per year) it will be necessary to have a budget increase each year of approximately €126 000. The following two tables show this in concrete terms.

Table #13 and #14: Two variants for the financeability of increasing staffing from the current number of 23 staff to 35 (tax and membership fees are calculated by extrapolating from past years, see page 9 of this document).

Variant A – cost increase (+€87 000 per year) at a fixed 30% share of tax collected in year n-2					
Year	Tax	% of tax collected in year n-2	Membership fee	Operating costs	
2018	4 366 934	30%	1 025 000	961 750	
2019	4 768 434	30%	1 189 629	1 087 750	
2020	5 169 935	30%	1 310 080	1 213 750	
2021	5 571 436	30%	1 430 530	1 339 750	
2022	5 972 937	30%	1 550 980	1 465 750	

Variant B – cost increase (+€87 000 per year) at an exponential growth in the share of tax collected in year n-2 with a gradual percentage attenuation					
Year	Tax	% of tax collected in year n-2	Membership fee	Operating costs	
2018	4 366 934	30%	1 025 000	961 750	
2019	4 768 434	35%	1 387 902	1 087 750	
2020	5 169 935	39%	1 703 104	1 213 750	
2021	5 571 436	42%	2 002 742	1 339 750	
2022	5 972 937	44%	2 274 771	1 465 750	

In the calculations of the financeability of BTB's development, we worked from the assumption of a positive development in tourism performance at the destination Bratislava in the period 2018 – 2022 (with regard to the global situation and positioning of Bratislava on the international market). Variant A reckons with a fixed contribution from the side of the City Council in the amount of 30% of accommodation tax collected; variant B assumes exponential growth in the share of accommodation tax collected in

year n-2 with a gradual percentage attenuation (increase by 5% in 2019, by 4% in 2020, by 3% in 2021 and 2% in 2022)¹.

The essence of the proposed DMO financing model is to establish stable financing of tourism from the local authority budget in terms of reinvesting funds obtained from the accommodation tax back into tourism development by means of the destination management organisation's activities and marketing – the BTB. Even in the case of a downturn in the number of overnight stays and related accommodation tax income, it is necessary that the destination has stable guaranteed funding for supporting tourism development, due to its extensive economic and non-economic effects. The proposal presents the need for at least 2% to 5%, irrespective of the development of tourism at the destination, increase in the share of the BTB's funding from the side of the City Council, and this on the basis of accommodation tax actually collected in the year n-2, where n is the budgetary year.

As shown in the tables, in variant A operating costs represent up to 94% of the membership contribution, while in the case of variant B, it is only 64%. It is clear that the gradual increase in the share of the collected tax from the current 30% to 44% would enable the development of the BTB from the aspect of strengthening its staffing and output, which will lead to fulfilling the vision of an attractive destination and pleasant city for living.

¹ At the current rate of growth in the number of overnight stays, the number of visitors to Bratislava will pass the 2 million line in 2022. We consider this number to be a guideline limit for social sustainability of the quality of life for the local population.